HOPENOW

Support & Guidance For Homeowners

AFCPE Military Pre-Conference

Presented by

Larry Gilmore

Deputy Executive Director

November 16th, 2009

HOPENOW Support & Guidance For Homeowners

Mission

Maximize the preservation of homeownership while minimizing the rate of foreclosure. Assist borrowers who have the willingness and wherewithal to remain in their homes, but need some help to do it. Our goal is to keep people in their homes and when that is not possible, prevent foreclosure.

Reach Homeowners in need - through assertive outreach campaigns
- Monthly Letter Campaign
- Face-to-Face Outreach Events
- Celebrity Campaign

Counsel Homeowners in need – accessible counseling services and efficient communication between counselors and servicers
- Homeowners HOPE Hotline managed by HPF
- Servicer Single Port of Entry
- *Industry Fee-for-Service*
- *Web Portal*

Assist Homeowners in need – working with servicers and investors to ensure borrowers have access to appropriate workout solutions
- Servicer Best Practices
- Monthly/Quarterly Data Reporting
- Industry Streamline Modification Efforts
- *Promotion of HAMP and other Foreclosure Prevention Solutions*

HOPENOW

Support & Guidance For Homeowners

State of the Market

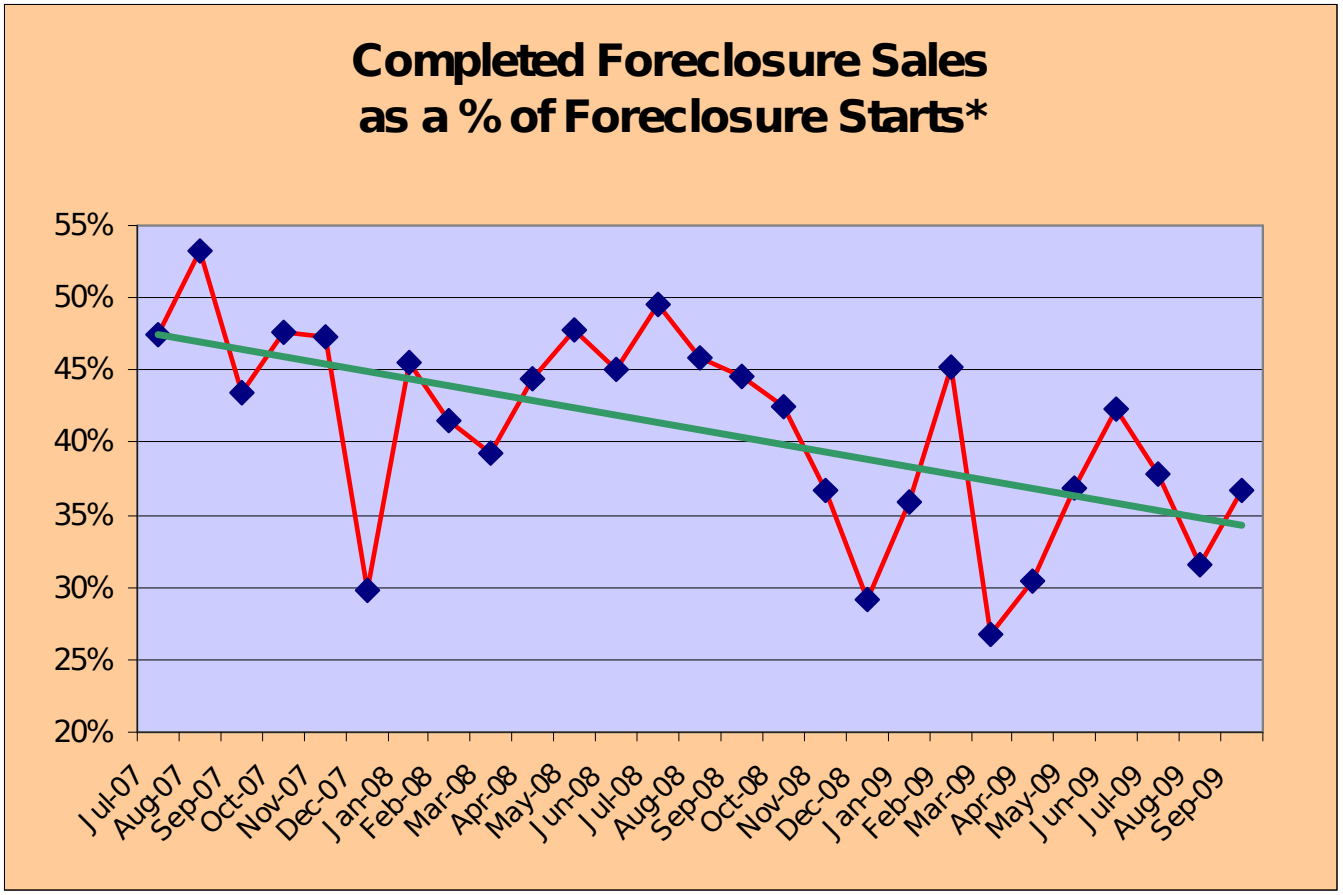
- **The Positive**
  - Overall Workouts Up - 2.4 mm versus 691,000 homeowners lost to foreclosure sales in from January-September 2009
    - Over 350,000 Total Workouts Per Month
  - HAMP Additional Program In Place - Over 500,000 HAMP Trial Modification Complete prior to Nov. 1st, 2009
  - Decrease in overall foreclosure sales - trend continues to move downward since July 2007

- **Market Challenges**
  - **High Delinquencies** - 3.5 mm homeowners are 60 days or more past due on their mortgages as of the end of September, according to HOPE NOW.
  - Foreclosure **starts** remain very high each month
  - **Loss of Income** - Since December 2007, the economy has lost 7.2 mm jobs, Department of Labor and Unemployment Rate Now exceeds 10%
  - **Equity Loss** - Estimate 15.2 mm US mortgages (32.2%) in negative equity according to CORE LOGIC June data.
  - **Impact of Flexible Products** – Peak of Option ARMs Resetting still forthcoming
  - **Converting HAMP Modifications** to Permanent Mods
  - **Overall Performance** / Preventing Re-default

HOPENOW

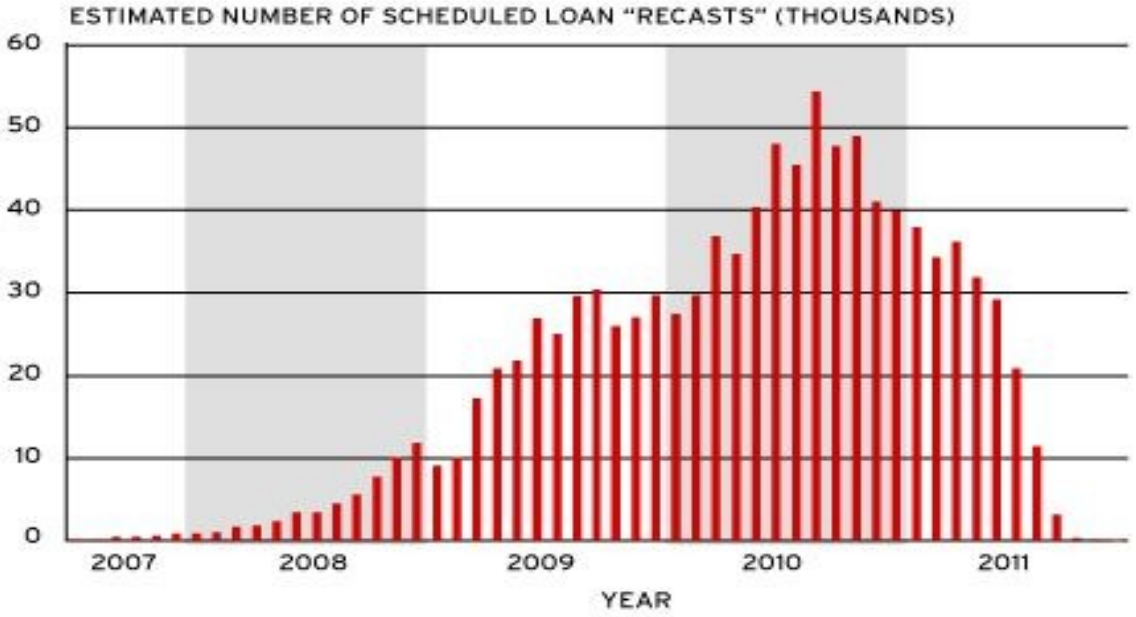
Support & Guidance For Homeowners

Decrease in Foreclosure Sales



The next foreclosure wave

Many of the mortgages now in foreclosure were written in 2005 and 2006 with two-and three-year "teaser rates" that then reset to payments borrowers couldn't afford. Another variation - called the "pay option" adjustable mortgage - came with a five-year fuse before it "recasts" to higher payments. Unless these loans are modified to more sustainable terms, they will likely swamp many more homeowners in the next few years.



SOURCE: First American Core Logic

msnbc.com

HOPENOW Support & Guidance For Homeowners

HOPE NOW Highlights:

- 2.4 million foreclosure preventions in 2009 (through September)
- HAMP trial modifications @ exceed 500,000 loans (October)
- 55 comprehensive outreach events, over 50,000 homeowners served at workshops held across the United States
- 1.35 million total calls from homeowners to the Hope Hotline, over 500,000 homeowners counseled
- Today, an average of more than 5,000 calls per day to the Hope Hotline, available 24 hours a day, 7 days a week, and 365 days a year. (85 borrowers counseled Christmas day).
  - Hotline fees paid largely by servicers or investors through crisis (80%)
- Over 5 mm HOPE NOW letters sent to at-risk homeowners since Nov 2007
  - An 18%-20% response rate to the letters sent by HOPE NOW to at-risk homeowners who have not responded to servicers.
- Servicing guidelines issued and being updated
- Significant feedback loop for industry with Government and GSE’s

Web Portal - Goals and Objectives

- The objective of the Central Intake Portal is to determine the feasibility and value of establishing a neutral, web-based utility to improve Homeowner Affordable Mortgage Plan (HAMP) execution. The web portal will:
  - be expanded to serve as a robust site to **collect completed application and documentation for HAMP** and offer status to in-process modifications.
  - Is "proof of concept" effort as a **neutral functional utility** to help borrowers at risk,
  - provide industry **transparency** to borrower/counselor's ability to adequately complete the intake process,
  - and provide participating servicers **increased efficiency** in completing qualified modifications,
  - offer a **lift to completed HAMP** modifications and applications for borrowers who need some form of assistance.
  - Addresses servicer challenges in receiving applications from counselors for more affective solutions; complete applications, improve
  - Will **enhance the fee-for-service model** for trusted 3rd party advisors

Scope for the 1st Phase includes

- **No Pre-approval/Decision**, only used to capture all data and docs to submit to Servicer
- Borrower info imported from counseling organizations that are **NFMC/HUD approved**
- **Uniform Definition of "Complete Package"** determined by pilot participants
- **Open architecture** allowing servicers to obtain packages in multiple formats
- **Minimal Status Updates** from Servicer-Portal (Received, In Process, Pending, Decision)
- Specific to **HAMP Modifications**

Roles & Responsibilities

HOPENOW

Support & Guidance For Homeowners

Homeowner	Works directly with local counselors to obtain assistance
	Responds to servicer direct marketing campaign encouraging partnership with local counselor
Counselor	6 Local HUD approved Counselors/NFMC Certified
	Counselors work directly with each individual borrower
	Counselor can enter cases individually or in bulk
	Counselors will agree on a standard SLA
	Counselor can transfer data in multiple data exchange methods
Web Portal	Public Utility to capture full HAMP Package delivered through Counselor
	Intake Only – No “Pre-Approval” or Mod Decisioning
	Portal can transfer borrower data to servicer in multiple data exchange methods
	Open Architecture
	Ensures portal functionality and the accurate timely deliver of data in/out
	Vendor responsible for storing case data imported by counselors and pushed to respective servicers
Servicer	Will have an option in what data exchange method their organization receives cases
	6 Servicer Participants
	Determining what defines a completed loan package as a group and are mandatory fields developed in the web portal
	Each servicer will agree to specific SLA on turning around complete packages
	Each servicer will assist in promoting an outreach campaign driving a segment of potentially qualified borrowers to participating counseling organizations

HOPENOW

HOPENOW
Support & Guidance For Homeowners

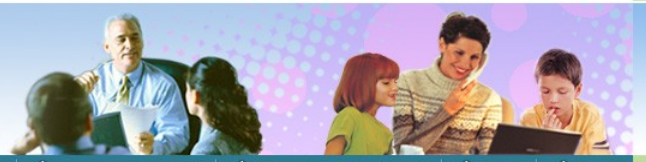
Unemployment Resources

Google Translator
Select Language

888-995-HOPE™
Homeowner's HOPE™ Hotline

Now is the Time
to Work Together

Are You Eligible?



Homeowner login & Register | About HOPE NOW | HOPE Hotline | Events in your Area | Homeowner Resources | Media | News

1 step Self Assesment > 2 step Assistance Intake Form > 3 step Hardship Affidavit > 4 step Supporting Documents > 5 step Review & Submit

Review and Submit

Thank you for providing your Case Information. Please review the checklist and submit the data.

At any point of time you can edit the incomplete information before you click the submit button.

Review your information

Need Help?

1 Self Assesment	✓	Complete
2 Assistance Intake Form		
a. Homeowner Information	✓	Complete
b. Property Information	⚠	Warning
c. Financial Information	✗	Incomplete
3 Login Information	✓	Complete
4 Hardship Affidavit	⚠	Warning
5 Supporting Documents	✗	Incomplete

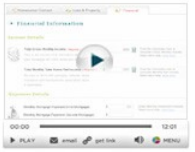
⚠ Case Status: Partially Complete

Please note that providing your complete information, will help in processing your case faster. Incomplete or partial data will result in delay of your case processing.

Back to Supporting Documents

Review & Submit

VIDEO HELP



Click here to know more about review and submit screen.

FREE COUNSELING

At any time, during this information submission process, if you need any help, counselors in your area can always help you. Please note that this is a free help.

Do you want to seek help from the Counselors in your area? Click here.

HELPFUL LINKS

- Frequently Asked Questios
- More About HAMP

Need Urgent Help ?

888-995-HOPE™
Homeowner's HOPE™ Hotline

© 2009 IndiSoft

Unemployment Committee

Broad Membership, Servicers, Counselors, Dept. of Labor, Federal Reserve Bank of New York, GSEs

- Work closely with partners to help promote and educate around DOL Unemployment tool. *A web based tool to help servicers and counselors understand how long families can expect unemployment benefits, by state.*
- Look at various solutions for unemployment including: proposals from Federal Reserve Bank of Boston (a grant program) and servicers (a one year forbearance tool based on 31% Unemployment benefits)
- Exploring/formalizing relationship with DOL One Stop Shops, driving homeowners towards trusted free resources. *Thousands of locations across the country.*
- Inclusion of UI tool in latest Supplemental Directive from MHA.
- Enhancing education for staff at One Stop shops to drive homeowners to Homeowner's Hope Hotline and HOPE NOW website.
- Working with Neighbor Works to help educate/inform at Training Institute on the UI tool.

Servicer Guidelines

Updated September 09 to include:

- Communication/ Outreach
- Transparency and accountability
- Reporting
- Loss Mitigation Options/ Solutions for Preventing Foreclosure
- Performance Measures
- Subordination of Second Lien
- Updated guidelines incorporating HAMP process

HOPENOW Support & Guidance For Homeowners

HOPE NOW Feedback / HAMP Status

- Standardize and Simplify doc collection (October 8th Treasury released updates to streamline process)
- Second lien process for subordination and extinguishment (remains outstanding)
- Central Web Portal, One stop pre-qual (HOPE NOW pilot underway to execute proof of concept)
- Third party fulfillment centers
- Improve “change” process servicers
- Option to eliminate “trial” mod
- National training portal counselors/homeowners
- Common clear communications for HAMP
- Streamline short sales and Deed in lieu (much has been discussed but final document outstanding from treasury)
- Expand HAMP eligibility and finalize H4H

HOPENOW Support & Guidance For Homeowners

HOPE NOW FOCUS 2009-2010

- Partner to improve “unemployment policies and products” and HAMP execution (various government agencies and Industry)
- Implement Web based concept to help borrowers with HAMP mods (beyond a pilot)
  - Improve Transparency and Accountability
- Outreach: Enhance home preservation workshops to complete mods
- Capacity: Improve servicer Capacity—more workouts
- Servicer guidelines: Update to include HAMP
- Counselors: Enhance Fee for service model to increase flow of funds for services provided
- Simplify communication and align messages for consumers
- Fraud: Eliminate foreclosure rescue scams